



City of Little Rock

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To the Honorable Mayor Mark Stodola
and Members of the Little Rock City Board of Directors:

Respectively I submit the official Year 2012 Budget for the City of Little Rock that builds on the accomplishments and service improvement programs initiated last year. While the economic downturn experienced in the past several years continues to create significant challenges for the City, the passage of the new one (1)-cent local sales tax will enhance the operating and capital resources necessary to improve public safety and the City's infrastructure, stimulate economic development, and provide much needed funding for parks and programs that improve the quality of life for Little Rock citizens. Overall operating expenditures total \$219,272,074, an increase of \$28,182,842, or 14.7%, more than the 2011 Adopted Budget and \$27,405,510 more than the final 2011 Amended Budget. The Operating Budget changes for the 2012 Year are summarized below:

City of Little Rock
Comparison of Budgets - FY12 to FY11

	<u>2012</u>	<u>2011</u>	<u>Change</u>	<u>% Change</u>
General Fund	\$158,559,815	\$134,371,418	\$24,188,397	18.0%
Street Fund	16,551,612	15,164,843	1,386,769	9.1%
Fleet Services Fund	11,667,454	10,488,935	1,178,519	11.2%
Waste Disposal Fund	17,154,395	17,694,120	(539,725)	-3.1%
River Market Fund	1,164,180	916,942	247,238	27.0%
Zoo Fund	6,584,304	5,234,749	1,349,555	25.8%
Vehicle Storage Facility Fund	1,326,100	1,184,063	142,037	12.0%
Golf Fund	2,870,282	2,826,136	44,146	1.6%
Jim Dailey Fitness & Aquatic Center Fund	1,350,071	1,254,126	95,945	7.7%
Parking Garages	2,043,861	1,953,900	89,961	4.6%
Total	<u>\$219,272,074</u>	<u>\$191,089,232</u>	<u>\$28,182,842</u>	<u>14.7%</u>

The 2012 Operating Budget has been developed around common themes from the Mayor and Board of Directors policy and priority areas. These strategic

priority areas include: Public Safety; Economic Development; Infrastructure; Basic City Services; and Quality of Life Issues.

OVERVIEW

General Fund:

The General Fund 2012 Operating Budget includes several significant changes from the 2011 Operating Budget. Little Rock citizens passed an additional one (1)-cent local sales tax in September 2011 that goes into effect on January 1, 2012. Faced with significant challenges with stagnant revenue in many areas due to the lingering effects of the economic downturn, and one of the lowest local tax rates in the State, citizens supported the new tax initiative. The City held several public hearings in each Ward to discuss priority needs associated with Public Safety, Public Works, Jobs and Economic Development, Parks and Recreation, Zoo and Tourism, and other priorities, including fleet replacement, information technology needs, pension funding, and public transportation. The priority needs were divided between ongoing operating needs and capital needs. The five-eighths (5/8)-cent permanent increase in sales tax for operations is reflected in the FY12 Adopted Budget. The three-eighths (3/8)-cent temporary sales tax for capital projects, which expires in ten (10) years (2021), is discussed in detail in the capital section of the Budget Document.

Sales Tax continues to be the leading revenue source for the City at approximately 58% of General Fund revenues. The City's sales tax is composed of a one and one-eighth (1-1/8)-cent local tax on gross receipts, which includes the half (1/2)-cent sales tax in effect since 1994, combined with the new five-eighths (5/8)-cent operating sales tax effective January 1, 2012, as well as a per capita allocation of a one (1)-cent County tax and State Turnback funds. The new three-eighths (3/8)-cent temporary sales tax for capital projects is not reflected in the operating budget, but is reported in a separate capital projects fund. Due to the passage of the new sales tax, the 2012 adopted sales tax revenue budget includes a projected increase of 41.3% from the 2011 original budget and an increase of 44.2% from the 2011 final amended budget. The projected increase in sales tax revenue in 2012 is committed primarily to filling vacant public safety positions and adding twelve (12) new Police positions, twelve (12) new Fire positions for the West Little Rock Fire Station, maintaining grant-funded positions, the addition of Code Enforcement and Animal Services Officers, increased funding for neighborhood-based/community initiatives from \$2.5 million to \$5.5 million, increased funding for street light operations and maintenance, increased building maintenance, expanded park maintenance to include filling nine (9) vacant positions and the addition of seventeen (17) new positions, additional funding for Zoo deferred maintenance, operations and staffing, to include filling six (6) vacant positions and the addition of ten (10) new positions, and increased funding for annual fleet replacement, information technology staffing and maintenance, and new transit routes. Actual sales tax

revenues for 2011 were more than 2010 revenues by approximately 1.3%. Changes to the Arkansas Sales and Use Tax Law known as the "streamlined sales tax" took effect beginning January 1, 2008. Sales tax revenues are distributed based on where the purchaser takes receipt or delivery of the product or service. In addition, local tax caps on most single transactions are no longer applicable when City and County Sales and Use Taxes are collected. The local tax cap continues to apply to the first \$2,500 per item on the sale of motor vehicles, aircraft, watercraft, modular homes, manufactured homes, or mobile homes. Businesses, schools, governments and charitable organizations are able to recover the tax paid on single transactions over the previous cap amount through a rebate program. The program allows such tax payers a period of up to six (6) months from the date of the transaction in which to claim the rebate.

Franchise fees from local utilities comprise approximately 17% of general fund revenues. Franchise fees from Entergy Corporation, the electric utility, were basically flat in 2011 and are expected to decrease approximately 5.7% in 2012. Several of the projected decreases are due to the unseasonably cold weather experienced in 2011 and a decline in fuel prices. Franchise fees from Centerpoint Entergy, the gas utility, declined 10% in 2011 primarily due to lower natural gas prices; however, they are expected to increase by approximately 5% in 2012 due to a rate increase that went into effect in November 2011. Franchise fees from telecommunication companies are expected to decrease approximately 15% after several years of decline due to on-going competition from wireless companies. There are no rate increases currently scheduled for Water or Waste Water.

Property Tax revenues make up approximately 11% of General Fund revenues. Little Rock recently received its Original Charge for 2011 Property Taxes to be collected in 2012. The Original Charge is approximately 3% over last year's value and represents the total amount assessed on real estate and personal property for the previous year. The 2012 budget reflects an increase in Property Tax revenues of approximately 2% from the original 2011 budget and approximately 1.4% from the final amended 2011 budget. I am pleased that overall property values in Little Rock were maintained during the recent economic downturn.

City employees have demonstrated their dedication and professionalism by providing quality service to the citizens of Little Rock during a difficult economic downturn. The General Fund budget supports 1,513 full-time equivalent (FTE) positions, a net increase of forty-four (44) FTEs compared to 2011 staffing levels. In addition, special projects and grant awards support seventy-seven (77) employees, including an award under the *American Recovery and Reinvestment Act* COPS program for twenty (20) Police Officer positions. However, approximately 152 of the budgeted General Fund positions were kept vacant during 2011. With the passage of the new sales tax, many of the vacant positions will be filled in 2012, particularly in the areas of Public Safety and Parks

and Recreation. The 2012 Operating Budget expenditures include \$108,123,085 in personnel cost, net of an anticipated \$3.5 million in vacancy savings. Police, Fire and AFSCME personnel covered by labor agreements will receive a pay increase of 3% in 2012. An allocation for non-uniform non-union employees of 3% was included in the budget as well, to be awarded based on merit. Health insurance costs will increase approximately 8.5%, the first increase in three (3) years. The increase is primarily due to some high cost claims in 2011. The City's wellness initiative has helped to mitigate cost increases. Benefit changes approved by the State Legislature increased pension costs slightly for Fire and Police uniformed personnel. Pension costs increased from 16.58% to 17.58% of payroll for uniformed Fire personnel and from 13.23% to 14.23% of payroll for uniformed Police personnel. Pension costs for Court Clerks increased from 13.47% to 14.24%. The City recently engaged a consultant to review options for improving the pension plan for non-uniform personnel. In the interim, the City is increasing its contribution to the plan from 4% of salary to 7% of salary. The employee contribution for 2012 will remain at 3.5%. Vacant positions are budgeted at the mid-range salary for the position's grade, providing some budget flexibility in the recruiting process. Overall, with the changes in salary, benefits and the increased number of filled positions, personnel cost will increase approximately 9% in 2012.

Fleet and fuel costs are projected to increase approximately \$830,000 in 2012. The 2012 fuel budget is based on estimated unleaded and diesel fuel per gallon prices averaging \$3.50 and \$3.75 respectively. The budget for fleet parts increased due to the aging fleet. However, as the annual fleet replacement schedule is resumed with the passage of the sales tax, repair and maintenance cost will be reduced.

The City's 2012 allocation for outside agency contributions increased by approximately \$1,008,000 compared with the 2011 Budget. Of this increase, \$908,000 is associated with the Central Arkansas Transit Authority (CATA) Bus and River Rail operations. Two (2) new routes will be added to bus service in 2012 servicing the John Barrow Neighborhood and Pulaski Technical College.

The City issued a short-term financing note in December 2011 to fund the purchase of vehicles and equipment for the Little Rock Fire Department, Public Works and Waste Disposal. Short-term financing notes are authorized under Amendment No. 78 to the Arkansas Constitution for the acquisition, construction, and installation of real and tangible personal property having an expected useful life of more than one (1)-year. The notes are repaid over a period of five (5) years from general revenues. At the time the budget was adopted, staff projected a decrease in the General Fund debt service budget of approximately \$100,000. The debt service requirements will actually decrease by approximately \$496,000 in 2012 due to favorable interest rates and the decision to forego short-term financing in 2009 and 2010.

Funding of the Pulaski County Jail was continued in order to provide space for prisoners in accordance with the City's primary focus on Public Safety. In addition, an extra allocation of \$300,000 was set aside to contribute toward operations for expanded Pulaski County Jail space if needed.

A Homeless Services Task Force was established in 2006 to end Chronic Homelessness within our community. The City of North Little Rock has partnered with Little Rock to financially fund the Day Resource Center. The services provided to homeless individuals and families are focused on finding housing, job referral, and case management services, medical, dental and psychiatric assistance. In addition, both municipalities are working with the various support groups in Central Arkansas as part of the on-going process to address the needs of homeless individuals and families. In 2011, the City acquired a building on Confederate Boulevard in Little Rock for a permanent Day Resource Center. The new Day Resource Center is expected to open in 2012 with continued operating support from Little Rock and North Little Rock.

The City is appropriating approximately \$5.5 million for children, youth and family programs, including youth employment, skills center funding, and reentry programming in 2012 as part of City's emphasis to foster and enhance youth and community development. City Staff will continue to work with community groups, neighborhood associations, the faith-based community and other groups to ensure resources are targeted appropriately. In addition, the City is beginning an in-house pilot program to train and utilize disadvantaged persons for the construction and maintenance of sidewalks in conjunction with the skills center and re-entry programming.

The City of Little Rock's Management Team will continue to manage the City in a sound and fiscally prudent manner while striving to deliver the quality and level of service that the citizens of Little Rock expect with available resources.

2011 Accomplishments

Little Rock Police Department: The Little Rock Police Department achieved reaccreditation with the Commission on Accreditation for Law Enforcement Agencies in March of 2010 and was again awarded flagship status for another three (3) years. This designation is afforded to premiere agencies and has established the Little Rock Police Department as a model for other agencies seeking accreditation. The 311 System has greatly increased service deliveries to the citizens of Little Rock. A total of 96,926 requests for City services were made utilizing the 311 System.

Little Rock Fire Department: The Little Rock Fire Department continued to provide quality services, responding to more than 25,589 fire and emergency calls during 2011. The Department initiated several new initiatives, medical screenings for all employees through partnership with the Arkansas Heart

Hospital, EMS Bicycle team, implemented the IAFF supported minimum standards for Apparatus Engineers and Captains, established a social networking policy to maintain a positive image of the LRFD and were awarded grants in fiscal year 2011 totaling approximately \$500,000. In addition, an aggressive fire prevention initiative led to a 40% reduction in fire deaths within the City. The Department will continue to seek out and initiate programs that will enhance their ability to increase fire and life safety awareness and promote the Department's commitment to customer service by providing the citizens with a greater knowledge of core job functions. In addition, the City broke ground on the \$2,017,800 federally-funded grant for construction of Fire Station #23 in West Little Rock. The Little Rock Fire Department continues to move forward with the accreditation process through the Center for Public Safety Excellence.

Public Works: In 2011, Public Works Operations Staff responded to 7,164 service requests via the 311 service request system. Staff installed 8,822 traffic signs, which improved traffic safety through increased visibility of traffic signs and markings, swept 18,661 curb miles of streets and removed 3,830 cubic yards of debris from City streets.

Fleet Services: For the third time, the Fleet Services Department applied for and was recognized as one of the 100 Best Fleets of North America. Fleet Services applied for and received a grant from the Arkansas Energy and Development Commission (AEDC) for the installation of a compressed natural gas fueling station. Fleet Services is continuing with the plan to integrate alternatively-fueled vehicles into the City's fleet. Fleet Services succeeded in reducing the required hold time of excess money collected for vehicles sold at auction; an issue that was included in the City's 2011 Legislative Packet.

Finance: The Finance Department obtained the Government Finance Officers Association (GFOA) Certification of Recognition for the 2011 Budget Presentation and the GFOA Certificate for Excellence in Financial Reporting for the 2010 Comprehensive Annual Financial Report. In addition, the Grants Division provided assistance to other Departments and component units of the City in training, writing, obtaining, monitoring, and reporting on grant awards with special emphasis on *The American Recovery and Reinvestment Act of 2009*.

Parks & Recreation: In 2011, Little Rock Parks and Recreation successfully completed the National Parks and Recreation accreditation review process and was re-accredited for another five (5)-year cycle (through 2016). Improvements to Conner Park, a small neighborhood park located in West Little Rock, were completed in 2011. Funding for improvements to this park was made possible through the refinancing of the 1998 Little Rock Parks and Recreation Revenue Bonds. In 2011, improvements to larger metropolitan parks continued. The front lawn at MacArthur Park was redesigned and improved. The Markham and Fair Park entrance way to War Memorial Park was redesigned and constructed to provide greater definition. The newly designed entrance way features an entry

plaza and pedestrian walking trail. The old west parking lots in War Memorial were demolished to create additional space for passive recreational activities. In addition, 2011 marked completion of the construction and dedication of the William E. Clark Presidential Park Wetlands along with the Clinton Presidential Park Bridge. The Step Up to Health Initiative, which inspires citizens to pursue healthier lifestyles thereby creating a more livable community, was promoted throughout the City. Volunteerism continues to play a very important role in departmental support. In 2011, the Department utilized over 54,000 volunteer hours, which totaled over \$918,000 dollars in support. Volunteers are utilized in virtually every area of Parks and Recreation from the Little Rock Marathon to community centers. The annual Volunteer Luncheon was a huge success. The Department's "Lights on After School" initiative was again successful in that it continues to promote the critical importance of quality afterschool programs in the lives of children, their families and community.

Information Technology: The Information Technology Department supported and maintained the City's technology systems, which include the computer and phone systems. These are comprised of 911, 311, and Lawson Human Resource and Financial applications among many others. The Department supported over 1,600 users on eighty-five (85) network locations throughout the City. In addition, the Department updated the current police records system to be compliant with the National Incident Based Reporting Standards and implemented several other supporting modules. Information Technology Staff continued to create virtual servers to allow for the support of City systems without the cost of physical ones.

Human Resources: The Human Resources Department completed implementation of the new applicant tracking system, including training for hiring managers. Pre-retirement planning workshops were offered to employees considering retirement including presentations from Social Security Administration and The Employee Assistance Program. Contract bid and renewal processes were conducted to meet expiring contracts for employee benefits and property coverage. The Department completed an audit of employee pay practices to ensure compliance with City policy, State and Federal Law.

Planning & Development: The Planning & Development Department reviewed and processed approximately 250 requests for preliminary plats, planned developments, site plans, rezoning, conditional use permits and variances. The Department completed the review of several construction related codes and continued to support the Criminal Abatement Program. The update of the Bicycle Plan was completed and approved by the Planning Commission and Board of Directors. In addition, the Planning & Development Department was instrumental in the redrawing of the City Wards based on the 2010 Census.

Little Rock Zoo: The Little Rock Zoo increased revenue in 2011 with improved attendance and by enhancing performance in special events and other amenities. The Zoo continues to provide new and exciting opportunities for guests, and as such, opened the new Laura P. Nichols Penguin Pointe exhibit and also offered the Wild Wonders Animal Show featuring free flying birds, live mammals and reptiles in a fun presentation at the Civitan Amphitheater Stage. The Zoo accomplished several capital projects in 2011, including updates and improvements to animal exhibits and pedestrian walkways. In addition, the Zoo began construction on the Laura P. Nichols Cheetah Conservation Outpost that will open in June 2012. The Zoo also went through a strategic planning process to improve and secure long-term strategies for operating and funding the Zoo and a final report was completed in June 2011.

Community Programs: The Community Programs Department sustained its Prevention Intervention and Treatment Programs by efficiently processing contracts and reimbursements. The Department continued to employ youth City-wide as an expansion of its year-round programming. In addition, the Department worked with the Children, Youth and Families Commission to develop a strategic plan.

Housing & Neighborhood Programs: The City of Little Rock was awarded \$8.6 million in Neighborhood Stabilization Funds (NSP2) to eliminate blighted, vacant, foreclosed and abandoned properties in Little Rock. The NSP2 Consortium was able to expend \$4.5 million in grant funds through the end of 2011 and over 90% of the grant funds have been obligated. Code Enforcement Staff partnered with Zoning Enforcement Staff to enforce a new No Parking in Yards ordinance. Code Enforcement Staff continued to make visible improvement in the community by removing 107 unsafe vacant structures in 2011. The City acquired thirty-four (34) properties to be included in the City of Little Rock Land Bank. Phase-One of the Little Rock Animal Village Dog Park was opened, and the City established a partnership with PetSmart and their Rescue Waggin' Program. The Animal Village had a record year of adoptions in excess of 2,000 animals. The Animal Village began opening the facility on Saturdays to allow more public access and a variety of special events.

Budget Policies and the Budget Process: The General Fund goal was to set aside the greater of \$10,000,000, or 10%, of General Fund revenues in the Restricted Reserve on or before December 31, 2007; however, due to economic conditions in the past few years, the City has been unable to meet this goal. The restricted reserve is currently \$9,418,000. With the passage of the new sales tax, the City expects to achieve the \$10,000,000 initial goal by the end of 2012 with the intent of gradually increasing the Restricted Reserve to achieve 10% of General Fund revenues in the next few years.

2012 Goals

- In coordination with the Mayor and City Board, staff will have a major focus on completion of projects funded in part with awards received under *The American Recovery and Reinvestment Act of 2009*. Staff will constantly track, monitor, and report on grant and formula awards and will maintain a detailed tracking system on the City's web site, www.littlerock.org.
- Continue the redevelopment and revitalization efforts underway for 100 properties in the Central High and Stephens Elementary School neighborhoods, utilizing the \$8.6 million awarded in Neighborhood Stabilization Funds (NSP2) to eliminate blighted, vacant, foreclosed and abandoned properties.
- Begin capital projects and implement programs and staffing funded by the new one (1)-cent sales tax resulting from priority needs commitments to citizens to sustain and improve services and promote economic development within the community.
- Implement review meetings with the new Little Rock Citizen Evaluation of New Tax (LRCent) Committee to review expenditures and progress toward initiatives supported by the new one (1)-cent sales tax. These meetings will provide an additional layer of accountability and transparency to tax payers.
- Continue development and construction of the Mid-Town Police Patrol Facility. Purchase property for a West Little Rock Police Station.
- Continue development and construction of the West Little Rock Fire Station with funding awarded under *The American Reinvestment and Recovery Act of 2009* and the new sales tax.
- Continue the City's focus on economic development and sustainability.
- Complete Park and Zoo capital improvement and construction projects funded by the 2009 Parks and Recreation bonds.
- Continue funding for the Homeless Coordination Program, and open the new permanent location for the Homeless Day Resource Center in Little Rock.
- Provide \$5.5 million in funding for Children, Youth, and Family programs, including youth employment, skills center funding, and reentry programming, to include a pilot program to train and employ disadvantaged persons for construction and maintenance of sidewalks.
- Implement a local preference policy on competitive bids for contracts funded solely with City revenues.

Economic Outlook

The primary challenge facing the City of Little Rock remains providing a full complement of services that satisfy the needs of citizens in the midst of an uncertain, but stabilizing, economic climate.

In December 2011, national unemployment dropped to 8.5% on a seasonally adjusted basis after peaking at 10.1% in 2010, the highest U.S. unemployment rate since 1983. According to the Arkansas Institute for Economic Advancement at the University of Arkansas at Little Rock (UALR), the seasonally adjusted Little Rock metro area unemployment rate was 7% in November 2011, down from 7.5% in October. Unemployment for the City of Little Rock was 6.3% in November. Little Rock had approximately 7,300 unemployed residents during 2011, compared with about 4,700 in 2008, prior to the economic downturn. Little Rock remains a vital employment center, accounting for approximately 53% of all jobs, by place of work, in the Little Rock-North Little Rock metropolitan areas. A large component of the City's workforce is in the areas of health care, education and public administration. These sectors are less vulnerable to national employment trends.

Little Rock's housing markets have felt the boom-bust cycle of recent years; however, they have been less severely affected than the U.S. average. Permits for single-family units decreased to 328 in 2011 from 341 in 2010, still far below the 700-plus permits that occurred annually 2003-2007. However, there was a significant increase in the number of multi-family units permitted in 2011. For example, the City of Little Rock approved permits to 514 more units during the first half of 2011 than during the full years 2008, 2009, and 2010. The growth in Little Rock's apartment market reflects the City's role as a job center during difficult economic times and the change in demographics. The 2010 Census results show that Little Rock has a higher share of young adults in the twenty (20) – thirty-four (34) age groups at 23.4% than the U.S. average at 20.3%. Young adults are delaying home purchases longer than average due to economic uncertainty, a factor which affects multi-family housing demand. This trend is expected to continue in 2012. Office construction increased in terms of square footage, but total commercial square footage permitted decreased in 2011.

The City's long-term outlook remains bright; most indicators continue showing competitive advantages in the local metropolitan area. Job losses in some sectors have been balanced, even in recession, by gains in areas with future potential.

In March 2011, Little Rock was recognized as being one of the Top Six (6) Happiest Cities in America. The results were based on a Gallup Poll and released by *Businessinsider.com*, referencing satisfied residents at 91.8% and optimistic residents at 68.6%. Factors included the local employment level, economic growth, and other quality of life issues. In addition, in March 2011, the City of Little Rock was ranked second on the *Forbes.com* list of America's Cleanest Cities. This ranking considered the most recent Environmental Protection Agency data regarding air quality and the toxic release inventory. The

ranking is a testament to the strong environmental stewardship among citizens and businesses in the community.

In June 2011, ACCESS opened a 6,700 square-foot therapy gym in Little Rock, offering diagnostics, therapy and education to individuals' ages zero (0) – thirty-five (35) with developmental delays and disabilities. This facility will provide ACCESS students and outpatient clients who are diagnosed with autism, feeding disorders, hearing and language impairments, sensory integration disorders and more with speech-language, occupational and physical therapy.

University of Arkansas at Little Rock (UALR) William H. Bowen School of Law was named among the nation's best value law schools in 2011 in *preLaw Magazine*. Among the items the magazine rankings take into account are in-state tuition, debt and the percent of graduates employed nine months after graduation, in addition to bar passage. In addition, *U.S. News and World Report* ranked UALR Engineering among the nation's top programs. UALR's program ranks behind only Virginia Military Institute and The Citadel, small military colleges, among public universities in the south and is ranked 60th overall, up from 64th in 2010.

In September 2011, *Inman News* announced that on-line real estate valuation and search company Zillow ranked Little Rock eighth nationally among metros with the greatest gain in real estate value. Zillow calculated the U.S. metro areas that have experienced the largest gains in home values over the past five (5) years, based on the company's home-value estimates and its Zillow Home Value Index, which is generated from those value estimates. The five (5)-year gains in estimated value ranged from 0.6% to 16.9%, while the estimated gains in dollar value ranged from \$667 to \$21,444. Little Rock's gain was 1.5% and \$1,802.

Forbes named Little Rock America's Sixth Best Mid-Size City for jobs; up from an overall ranking of fifteenth in 2010.

Most recently, in December 2011, the Milken Institute ranked Little Rock America's Nineteenth Best Performing Metro, jumping from 93rd to 19th. Among the ranked categories, Little Rock ranked fifth in one (1)-year wages and salaries growth (2008 –2009), 12th in one (1)-year relative High Tech GDP growth (2009-2010) and 17th in five (5)-year relative High Tech GDP growth (2005-2010). The Best-Performing Cities Index includes measures of job, wage and technology performance to rank the nation's 200 large metropolitan areas.

The City in partnership with the Little Rock Regional Chamber of Commerce will continue to identify economic development opportunities that result in the expansion, retention or start-up of businesses that create jobs and generate sales tax, property tax or other forms of revenue for the City. \$38,000,000, or 19.4%, of the revenue anticipated from the three-eighths (3/8)-cent temporary sales tax for capital projects is dedicated to jobs and economic development over

development of a research park, and job recruitment and economic development infrastructure.

Closing: This budget is the financial and operating plan for the City of Little Rock for 2012. The appropriations included provide for quality municipal services.

I want to recognize the many members of our City Staff that are actively serving in our nation's military and acknowledge the additional hours and duties the Department Staff may be undertaking in their absence. To all of you, thank you for your service.

The City of Little Rock has made great strides in the utilization of technology to communicate with local citizens and businesses. The City's website, www.littlerock.org, is among the best and will continue to improve communication efforts. In addition, the City is proud of our local access channel LRTV, which broadcasts information regarding the activities of the Little Rock City Board of Directors through live and taped coverage of City Board Meetings and other official proceedings; and produces programming regarding municipal affairs.

The City has seen great progress over the past years with more to come in 2012 and beyond as the Mayor, City Board of Directors and City Staff continue to offer vital services to the citizens of Little Rock. And finally, a very special "Thank You" to the citizens of Little Rock. Our future is brighter because of you!

Respectively submitted,



Bruce T. Moore
City Manager